

WEDNESDAY

REGULAR MEETING

7:00 P.M.

JANUARY 4, 2012

This Regular Meeting of Council was called to order on the above-stated date at the above-stated time after the Pledge of Allegiance and a Moment of Silence by President of Council Darryl Segina with the following Members of Council present:

**RC-1 PRESENT: DARRYL SEGINA, DALE McCALL,
RICHARD DELLAPENNA, V. FAWN
WALKER-MONTGOMERY, KEITH
SOLES, DANIEL CARR, ALFRED
TEDESCO, JR.**

Mr. Segina said their Sergeant-of-Arms for this evening is Detective Joe Osinski.

Reverend Warren Smith from the McKeesport Ministerium and pastor of St. John's Lutheran Church in McKeesport led the prayer.

Also present were Mayor Michael Cherepko, City Administrator Matthew Gergely, City Solicitor J. Jason Elash and members of the Administration.

APPROVAL OF MINUTES:

**MOTION: Mr. McCall moved, seconded by Mr. Tedesco,
"To approve the minutes for the Public
Hearing of December 6, 2011 and the Regular
Meeting of December 7, 2011."**

**RC-2 YEAS: SEGINA, McCALL, DELLAPENNA, WALKER-
MONTGOMERY, SOLES, CARR, TEDESCO 7**

NAYS: NONE..... 0

COMMUNICATIONS:

- Received a letter from Stan Sowl, CES, Harris Environmental, Inc., RE: Voyager Jet Center, Facility PPC, SPCC & SPR Plan, West Mifflin Borough, Allegheny County.
- Received a copy of a memorandum that was sent by Bethany Bauer, Community Development Director, to Dan Cessna, Department of Transportation, RE: Route 148 Lysle Boulevard/East 5th Avenue.
- Received a copy of a letter sent by Greg Wilson, Chair, Public Safety, Dravosburg Borough to Chief Washowich: "The Council of the Borough of Dravosburg would sincerely like to thank you and your department for the outstanding search and rescue performance in the missing persons case in October. Many of us knew the victim personally, and it means so much to us that the McKeesport P.D. would put so many resources into the search. During and after the occurrences, there were so many citizens and firefighters that approached us with their stories of how much time, resources, and manpower that was invested into this rescue effort. We appreciate the amazing performance of your department."
- Mr. Segina said kudos to Chief Washowich and it really probably gives them a good reason why they should have regional Police Departments.
- Received a copy of a letter from Melody Taylor-Blancher, Director, Region III, Office of Fair Housing and Equal Opportunity, RE: Voluntary Compliance Agreement.
- Received a copy of a letter sent by former Mayor Regis McLaughlin to Dennis Davin, Director, Allegheny County Economic Development, RE: Visitability Program Inquiry, McKeesport's Voluntary Compliance Agreement.

- Received a memorandum from Bethany Bauer, Community Development Director, RE: Subordination of Lien, First Step to Recovery.
- Received a letter from Mark Depretis, Regional Director, Government and Regulatory Affairs of Comcast, RE: Important Information – Price Change.
- Received a memorandum from Raymond Malinchak, City Controller, RE: Mayor James Brewster's Grant Fund.
- Received a memorandum from Dennis Pittman, Board Chairman, McKeesport Industrial Development Authority, RE: Appointment of Board Member. They are asking that Council replace Robert Wise who is not serving anymore and to fill a fill the five year seat commencing January 1, 2012.
 - Mayor Cherepko said as they talked last night, if it is okay, he will have a recommendation for this appointment for Council in February.
- Received a letter from Rita Kipp, Director, Bureau of Financial Management, Pennsylvania Emergency Management Agency. The Pennsylvania Emergency Management Agency has approved the City's reimbursement for services provided during the activations for Hurricane Irene and Tropical Storm Lee. Payment in the amount of \$5,575.29 for Hurricane Irene and \$7,105.08 for Tropical Storm Lee is in process at this time.
- Received notification that the 39th Annual Spring Conference of the Allegheny League of Municipalities will be held March 29 through April 1, 2012. Ms. Williams said anyone who is interested in attending should get in touch with her.
- Received a letter from Richard Hadley, Executive Director, Allegheny League of Municipalities. Ms. Williams said they are asking for the City's representative to the Board. She said Mr. Dellapenna has been serving and he has agreed to continue to serve.

MAYOR'S REPORT:

- Mayor Cherepko said the move into transition is going very well at City Hall. He said it is a little bit chaotic to be quite honest because they are moving a lot of the offices around. He said he does want to thank the employees for their patience and understanding. He said he is switching around just about every office other than Patty Williams. He said Patty is still in the same office. He said he does want to thank the employees for their cooperation, their understanding and patience. He said at the same time, they are at work. He said Matt has been extremely busy, working around the piles of supplies and any space that he has been able to find available at this time. He said they are full speed ahead. He said some of the comments at the meeting yesterday ... he did follow up on them. He said they talked about where the City is currently. He said on December 31, there was \$80,000 in the bank. He said he did mention bills that had been coming in. He said right now their latest calculation ... and more have surfaced since ... they were up to \$147,000 in bills. He said between that and the fact they did use the Reserve Fund, they do have, in his opinion, a deficit at the end of the year. He said that is where they are with that. He said what did they take out of the Reserve Fund, about \$480,000.
- Mr. Segina said \$481,000.
- Mayor Cherepko said \$481,000 to be exact. He said they are getting through that and because they will have the T/A Note tomorrow ... and he thanks Mr. Malinchak for his suggestion that if money is available next year, they may need to look at something for next year. He said with that, they are going to pay the bills off and get all caught up and focus on January going forward.
- Mayor Cherepko said they talked a little about the Delta Report and the grant they were supposed to receive from

that. He said they scheduled a meeting next Tuesday with Debbie Grass. He said he knows there was some confusion on the numbers. He said he did say at one meeting that he thought it was around \$100,000 and the exact number that the grant was written for as of right now is \$98,000.00. He said if all goes well and they get this grant, they will have \$98,000 that will be designated purely for computer upgrades such as hardware, software and overall system upgrades. He said he is very excited to meet with Debbie and see what they have in the plan. He said he knows that Mr. Segina had talked a little bit with Council in regards to communicating more by email and he thinks they need to do that not just at the Council level but throughout all of their departments, through memos and everything else. He said they are going to look forward to moving that in the right direction. He said they are also looking into the web page issue that they talked about. He said he plans on having an answer for them at the next meeting if not sooner. He said he will let them know as soon as he gets anything back on that. He said obviously all of them on Council made it clear that they need to make that a priority to help market the City and keep the lines of communication open. He said they are going to be on top of that also. He said that is all he has at this time. He said he does want to personally thank Council for their support and of the new Administration. He said he thinks that is very important and as Mr. Segina said he has his new Administration so it is time to go to work. He said he couldn't agree with him more. He said he doesn't want to go unrecognized as showing his true appreciation for their support with the Administration and he thinks it goes with the theme after his inauguration where they talked about the new slogan they are going to have which is "Working together for a Better McKeesport." He said there is no question that has to start at the top. He said he thinks they have shown that between the Administration and Council and are looking for the ripple effect that will have from Council on down to the Department Heads to the Employees and to the citizens, the volunteers, the Task Forces, the Boards and Commissions.

He said he thinks that ultimately needs to be the big focus, "Working Together for a Better McKeesport." He said he just wanted to express his sincere thanks to Council for their support on that. He said that concludes his report.

- Mr. Segina said he would like to recognize their new City Administrator, Matt Gergely.

COUNCIL REPORTS:

- Mr. Tedesco said he also wanted to congratulate Matt on his new position. He said he is aware that Mayor Cherepko wanted to do away with the individual Department Head reports. He said is that going to be a continuing monthly thing or
- Mayor Cherepko said he thinks that was in discussion with Mr. Segina. He said it is whatever Council would like. He said it was his understanding that they would have the Department Heads here for questions and if they decide they want reports every month, they can do that. He said if they decide maybe they would only want it quarterly, that is a decision they can make. He said it was his understanding that they were just going to have the Department Heads here for questions.
- Mr. Segina said that was his suggestion. He said what they are trying to do is streamline their meetings so they move along quicker than they normally have been. He said it is not that they don't want to hear from the Department Directors, but if there is any kind of report that the Mayor feels is very important, then he will discuss that under his Mayor's Report with each of the Department Heads. He said he does like to see all of them here until their Bill on the Agenda is gone and then they can of course leave. He said if there are any citizen complaints or Council has some questions about the

departments then he would like to see the Department Heads here.

- Mr. Tedesco said he certainly would like to see them here because they never know when a question from them is going to arise and they don't expect the Mayor to have all the answers to every detail about what they are doing. He said he doesn't know how the rest of the Council feels but he believes he would like to hear from them because he thinks it makes them more aware of what is going on in each of their Departments and what they do. He said he likes to hear what they do. He said he thinks some things Darryl brought up is that they don't have comparables so the numbers don't really sink in and that can be done in a written report, such as with the Police and Fire call volumes. He said they can give them written reports and it doesn't necessarily have to be a vocal report. He said that is just his take on things and he doesn't know how everyone else feels. He said he would like to hear from the Department Heads.
- Mayor Cherepko said that is up to whatever Council decides. He said Mr. Segina can get in touch with him for the next meeting and they will be prepared to do it however they would like to have it. He said they can choose that as a Council.
- Ms. Walker-Montgomery said this is the first time she heard about it. She said she wasn't involved in the discussion so
- Mr. Segina said is Mr. Tedesco's report completed.
- Mr. Tedesco said that completes his report.
- Ms. Walker-Montgomery said she was just chiming in on what he said before she was interrupted. She said she was not aware that they were not giving reports. She said that decision was never run past her. She said she doesn't know

why, but it was not. She said she would like for them to continue to give the reports or some kind of written report. She said she doesn't know why she was not involved in this decision to no longer have the reports at all because no one told her that. She said is that a decision they are going to make tonight, or is it just up to the President or do they all have a say-so. She said how does that work.

- Mr. Segina said first of all, he didn't bring it up to the rest of Council, he discussed it with Mr. Cherepko.
- Ms. Walker-Montgomery said oh, he discussed it with him ... okay.
- Mr. Segina said yes, he thought that for meeting expedience, they could bypass those. He said if they had to go back and if she remembers numbers, she is better than him. He said they get numbers for the previous happenings or events from the Fire Department or Police Department and he doesn't know what those are and they are meaningless to him unless they are compared to either the month before or the previous year. He said not that they are not important, but he is sure they are watching certain trends within the City and that is why he says, if there is some kind of a trend, whether it is a large increase in crime ... then the Mayor should address it to them at that time. He said otherwise he doesn't see the importance of their reports. He said if Council wishes to bypass that or leave it like it is, then let him know.
- Mr. Tedesco said the numbers alone, they can be a written report distributed to Council, but there are a lot of things going on inside their Departments that maybe they would like to express to them.
- Mr. Segina said he didn't say that they can't talk, he just told the Mayor that if there is anyone who has something to say from each of his Departments, they can approach

the podium and give a report. He said he is not taking them out altogether. He said he told the Mayor that. He said if the Mayor wants to make the report for them, he can do that too. He said he is just trying to cut down and make ... on a time constraint, that is all.

- Mr. Tedesco said like he said, if they give them a written report on the call volumes, then that would cut out what he is talking about.
- Mr. Segina said the call volumes don't mean anything unless they have comparatives.
- Mr. Tedesco said well those can be in the reports. He said they can give them the previous month and previous year.
- Mr. Segina said so far, he has asked for them many years and they still have not gotten them.
- Mr. Tedesco said they have a new Mayor ... and new City Administrator ... ask them.
- Mr. Segina said what is the Mayor's pleasure.
- Mayor Cherepko said actually it is part of the Mayor's report and it falls on his lap. He said he is just looking to work with them. He said what they can do is have a lot of the reports in the past ... from his experience sitting on Council, a lot were just numbers and he can just have them come up and if they have things going on for example if there is something special going on in the Police Department, then he could have Chief Washowich come and talk about that with them. He said if Mr. Brown has some things going on with the Recreation Department and they want to make sure they get it out there and make sure they advertise all these events and things that do happen in the City ... then he could speak. He said he will go either way ... it does not matter to him. He said if they want the Department Heads to

continue coming here and maybe they can find a compromise and not just have them come up and run over numbers. He said he will bring them here and if there are things that need to be presented then that is the approach they will take.

- Mr. Segina said he did not want them to discontinue coming here....
- Mayor Cherepko said right.
- Mr. Segina said he thinks they should be here. He said this goes back quite a ways. He said where each Department Head should be here to answer their questions or any complaints that come up because Council sometimes is not aware of that. He said if the Mayor feels that they should not rule out doing this all together, and some Department Heads should speak about something then that is fine then do it.
- Ms. Walker-Montgomery said how does everyone else on Council feel about it.
- Fire Chief Lust said may he comment on that being a Department Head. He said he knows when he first started ... and he doesn't want to get Patty in trouble but they used to ... as Department Heads they tried to out-do one another sometimes and it was just a game here. He said sometimes they do take away from the Mayor's time because Chief Pero and he used to howl about how long they went on and then Nick would get up and talk. He said the Fire Department used to put in a written report every time and she would read that and then they would still go up and say the same thing. He said he told Patty one time that he was going to eliminate that. He said she told him to go to the President of Council and the Mayor and he told her let's see if they notice. He said they never noticed, so he never gave it to Patty anymore so she never read it anymore. He said he

thinks that is where it came up. He said the meetings started getting too long and he agrees with him, that they need to be here for questions especially for questions from the public. He said he has no problem giving them written reports every month, they can put that in. He said they can get that into Patty by a certain date so she can put it into their packets. He said then they can compare what they had last month to the current month.

- Mr. Tedesco said that is completely acceptable to him.
- Chief Lust said he never knew that was there. He said they just go off of last month's and then go on to this months.
- Mr. Segina said thank you.
- Mayor Cherepko said so they don't have certain individuals like Chief Lust just talking to hear themselves talk, they can get some reports in writing and he will also hit every department as part of his Mayor's Report on some of the highlights of what is going on and what they did. He said he will make sure that he hits every single department and if there is something very exciting or that needs to be discussed, then the Department Head can present it. He said he knows Chief Washowich is over there and there are some exciting things coming up for the Police Department in the near future. He said that is something they will have him come share. He said right off the bat, he thinks Jim Brown with the Recreation Department ... there are so many good things that go on in the City especially throughout the summer months and sometimes they just don't get the word out. He said he thinks it is important for him to be here and present that to Council and get Council excited about it so they can get it out to the constituents and get the word out so that people attend these activities. He said he thinks that is the approach they will take at this time.

He said if that doesn't work, they can always change to a different direction.

- Mr. Tedesco said he thinks with respect to the previous Administration, the Mayor is a little bit more computer savvy than his predecessors.
- Mr. Segina said they talked about establishing an email and phone line also as a line of communication. He said those reports can come in through their emails so that each Council member will be aware of everything that is going on.
- Mayor Cherepko said absolutely, he is exactly right. He said if they can get everyone's email now, he thinks they can do a lot of that now at least with him. He said if this grant goes through, and he doesn't know what the time line is until they sit down with them but if they get these system upgrades, this should be great for the whole City and not just the web page but also the lines of communication for everyone. He said all these memos that they type up and all the paper they use, it is not necessary in this day and age. He said he is looking forward to that.
- Ms. Walker-Montgomery said she was not done but the written report thing is fine with her. She said she wanted to talk about Operation Save Our Youth. She said this is a youth group that she works with and she got some calls about a fight after some of the kids left on Friday night drop in and they did meet with the Chief of Police. She said he said he will help if they need him. She said they also sent a written letter home to the parents notifying them of the rules they have in place there. She said she wanted to put that out there. She said she also wanted to thank Council for ... last meeting they talked about First Step but actually what it all came down to it was the Housing Authority not the City

- Mayor Cherepko said it was MHC.
- Ms. Walker-Montgomery said it was MHC so she wanted to thank Council for that. She said she wanted to address something to the citizens in the audience as well as to some people on Council but she is not sure if it will fall on deaf ears or not. She said the last couple of days, a lot of things have occurred with the whole President and Vice Presidential election on Council. She said she just wanted everyone to remember that there really should not be one or two teams on a seven person Council. She said there should be one team and that team should be working together for the voters. She said when they go to vote for appointments, or ordinances or any other things they vote here for, they should keep in mind, not their own personal interests, but the interests of the voters. She said she has a poem here and the title of it is "Why We Fall - Avoiding the Evils of Elected and Appointed Officials." She said she just wanted to read a quote here because she thinks it hits home to some of the things she has gone over in the last couple of days. She said it says, "Every ordinance, court order, or law we pass and every action we take should be rooted in stewardship not kingship, queenship, personal vendettas or entitlement. We run to serve and not to be served." She said they have all this power that the voters put in their hands and they need to make sure that they are doing what is the best for the voters and not what is best for their personal interests and just flat out lying to people to suit your own personal interest. She said that is not what the voters voted them in there to do. She said she just wanted to close off with saying that a lot of things have been said to her the last couple of days and a lot of threats have been made but at the end of the day, regardless of what committee they chair and how much power they think they may have, no man or woman can take anything away from her that God has for her. She said she just

wanted to put that out there in the air. She said that is all she has to say.

- Mr. Segina said thank you.
- Mr. Dellapenna said he has nothing to report.
- Mr. Soles said he has a question and maybe this should be directed to the Police Chief. He said when people come down lower Marshall Drive there is concern that there could be a major accident so they have asked him if a stop sign could be put in where those apartments are. He said could the Chief tell him about that or is there more involved than putting a stop sign there.
 - Chief Washowich said there is a little more involved but he can research it and get back to him about it. He said he believes they would have to adopt an ordinance for that. He said they can definitely look into it and he will check it out.
- Mr. Soles said thank you.
- Mr. McCall said does he mean coming down the hill.
- Mr. Soles said yes coming down the hill. He said they are concerned that someone fast
- Mr. McCall said has he ever come down that hill in the winter time.
- Mr. Soles said even without the snow, he has been told that the cars come down pretty fast and there is concern that someone is going to get hurt.
- Mayor Cherepko said he thought there was one there.
- Mr. Malinchak said there was one there at McIntosh and he brought that up to the attention to the previous Mayor that they had about 700 people in Haler Heights

stopping for it to let 16 families try to get out and he removed the stop sign.

- Mr. Segina said there was one at the bottom.
- Mayor Cherepko said he thinks he is talking about right before the apartments.
- Mr. Malinchak said the one that is actually right above that is McIntosh. He said the problem that he thought that would come up where he is talking about is that he is nervous about that pole being out there in no man's land.
- Mr. Soles said he was just thinking about that before he asked. He said maybe it could be put somewhere else.
- Mr. Carr said he just wanted to say he was at the Inauguration for Mike Cherepko and the Mayor introduced that slogan. He said it is not just a slogan that says "Working Together for a Better McKeesport," but it is an invitation. He said just to let them know, he accepts that invitation as Council member, community leader, business man, volunteer and especially as a citizen. He said he is willing to accept that invitation and hopes that they all can work together just as he is trying to pull this together.
- Mayor Cherepko said thank you Mr. Carr. He said that is exactly what it was. He said he apologizes for not mentioning it and he thanks Mr. Carr for bringing that up because it is an invitation. He said it is an invitation for each and every one of them. He said kind of like what even Fawn mentioned as far as the politics. He said it doesn't matter where you were or what side you were on, the negativity, the naysayers, they are all welcome. He said the way they look at it is that he truly believes with the support of this Council and this Administration ... he looks at it like a train station and they are going to be pulling out here soon. He said come aboard, they are

all welcome and will be full speed ahead before they know it so hopefully they don't miss the train. He said he does thank Mr. Carr for that.

- Mr. McCall said he only has one thing. He said the Mayor said that he thinks they may have been in a deficit for 2011. He said he thinks that is bad wording because as of December 31, they were \$80,000 to the good and the Administration in this City always does a carry over.
 - Mayor Cherepko said these were all
 - Mr. McCall said he knows what he is saying.
 - Mayor Cherepko said there were even some November bills and even some from October and then not even in that number of \$147,000 there was another \$7,900 bill that just showed up. He said to be quite honest, some of that may be more delegated for things that are due in January but they are December bills. He said he doesn't think that would be exactly where their numbers are but if they consider that they had \$80,000 in the bank as of December 31 and bills totaling at least \$147,000, he doesn't think they did empty out the Mayor's Reserve Fund where there was \$481,000 which this Council approved for the use for the first payroll in December. He said he thinks they know they are a little behind. He said what he is looking forward to and Matt, is finding ways to cut expenses and are open to any suggestions that Council may have for them also. He said in just two days in he can say it has been very interesting to find out how things were done. He said they have already found some areas they can change a little bit and he thinks it will always be what they believe is the best interest of the City.
 - Mr. McCall said they put the \$481,000 from the Reserve Account ... that was replenished correct.

- Mayor Cherepko said that was not replenished.
- Mr. Segina said yes, by HUD.
- Mr. Malinchak said no, the \$481,000 as the Mayor is saying was used to balance this year's budget. He said there is a line item in this year's budget if they recall that is exactly the number the Mayor said.
- Mr. Tedesco said he thought they pulled \$500,000 out of the other fund to replace it.
- Mayor Cherepko said that is what they are going to have to do and Mr. Tedesco is exactly right. He said regardless, they are again, once again pulling out another separate set of money. He said he wants to be clear with that. He said that was not replenished. He said Mr. Segina is right, when that was first mentioned to them, the idea was when the HUD money comes in they would be able to replenish that and he truly believes that the Administration that was with them wanted to do that and that was their intention but it did not get replenished. He said if it gets replenished it will be out of the \$14 million that they have. He said remember that money is delegated already. He said he doesn't want anyone in the public to think they are sitting with \$14 million because that is the furthest thing from the truth. He said they have to replace the revenue that they were getting from the sewage authority each year in the amount of \$2.2 million. He said that money is already delegated and it gives them a few years to get the ball moving because it will get rough for the City. He said they have about three years to get the ball moving and make some things happen or they will have to look at a possible restructuring of the debt and things of that nature. He said he thinks Mr. Malinchak knows where he is coming from.

- Mr. Malinchak said one thing the Mayor might want to be aware of and it is somewhat insignificant but worthy of mentioning is that once they accomplish paying off those remaining bonds, he thinks the insurance may drop another \$100,000. He said they are only realizing about \$26,000 this year. He said that is only \$100,000 so really they have to make up about \$2 million.
- Mr. Tedesco said he thinks the Mayor has to look at when they had to balance the budget, they had to pull that money out of that surplus to balance the budget and the expenditures still exceed the revenues, they are never truly balanced.
- Mayor Cherepko said he thinks all of them on here are pretty aware of that. He said Mr. Malinchak's famous phrase is that they are always pulling a rabbit out of the hat and a lot of that did take place over the last several years whether it was one time sales or something else. He said he thinks they have some ideas also. He said they are going to get in there and see where they can cut but the bottom line is that ... and the thing a lot of people don't quite understand is that there is not a lot of movement because it is not like they have a \$17 or \$18 million budget and can cut here and cut there. He said there are union wages, health care and wage increases built in and they cannot do anything about that. He said that is what they have to pay each and every year if they want to continue to provide the same service they have been providing without laying people off. He said as they all know, with the unemployment situation and the City funds their own unemployment, so it is not even worth it to lay someone off at this point. He said there are a couple of individuals who are laid off now and they are working on that too as Mr. Segina and a few others brought up a few Council meetings ago. He said it is a situation that they are all very much aware and there is only about 10 – 15% of the budget that is not wages

and even those items are in stone. He said they have to buy salt and unfortunately when he got sworn into office on January 2, they brought the snow with them. He said January 2 was New Year's Day for the employees and they had to call them out for overtime on a Holiday which is triple time. He said there was a seven man crew out yesterday and they stayed from 3:00 until 7:00. He said these are things that must be paid. He said at the end of the day, without rambling on, it is a very small percentage that they can really cut as far as expenditures and he thinks that is where they have to continue to focus and come up with plans to bring revenue in and get the revenue base up and bring business in.

- Mr. Malinchak said he just wanted to mention too that if they look at the total revenue that they collected from the property taxes, it will not cover all the insurance payments they have to make.
- Mr. Segina said he was told back in October that the money was replaced back into the General Fund, the \$481,000, because he insisted on it. He said before they took the vote, that is one thing he mentioned, that the money had to go back in there. He said if the Mayor is telling him now that it did not go back in there after he was told it was back in there ... well let bygones be bygones. He said rather than move money from the \$14 million they have in reserve now, he would rather just forget about it and create their own reserve later on with that money rather than say they have to take out and replace that \$481,000. He said it doesn't make sense.
- Mayor Cherepko said that is their goal. He said the goal is that they hope they don't have to touch even though it is in the budget and he thinks it was either him or someone mentioned it was money that was in the budget but technically they really should not spend it.

He said he thinks they are aware of that because in essence it is really like a reserve but if they have to pull that into there, it will be the last thing. He said it will be a line item that they don't count on unless they have to. He said they still are going to have a reserve fund set aside out of this money before they commit the rest of the money.

- Mr. Segina said they are out \$481,000 though.
- Mayor Cherepko said what is that.
- Mr. Segina said they are out \$481,000.
- Mr. Malinchak said let's be fair right here. He said as the Mayor is saying, they have only taken that money the last four days. He said they are only four days into dipping into that \$481,000. He said if there is a plan to replace it whatever the Mayor and Council comes up with, then.... He said everyone is talking as if this \$481,000 went away a long time ago, but technically speaking it was on January 1 that the \$481,000 came into play. He said it was always sitting up there until midnight on the 31st.
- Mayor Cherepko said he doesn't believe that.
- Mr. Malinchak said if they look at the budget it is right in there.
- Mayor Cherepko said he is not saying as far as the budget goes, but he is just looking at it as right now in that Reserve Fund, they have \$7.36. He said in the General Fund, as of December 31, they had \$80,000.
- Mr. Malinchak said what did they start with, the \$481,000.
- Mayor Cherepko said that was what it was last year. He said right now in the bank they are looking at \$160,000

and of course then they will get the T/A note tomorrow. He said no, the \$481,000 is not in there.

- Mr. McCall said the \$481,000 was used in June because of the budget and they pulled it out because they were short because of the HUD money.
- Mr. Malinchak said yes okay to finance them and they would repay it. He said he remembers now.
- Mayor Cherepko said it is almost like they are both right in a way, because it did not quite go to January because he thinks Mr. Pittman did pull it out and was leaving it out and did not have to use it until December. He said even though they approved it back ... he was holding out also and holding out as long as they could not to use and then when it came to the payroll they had to use it because they had 3 payrolls rather than 2.
- Mr. Segina said it required Councilmanic action to take the money out of that Reserve which he was reluctant to do but they did it because they were in a bad squeeze. He said that money was supposed to go back as part of that resolution they had ... to go back into that Reserve as soon as the HUD funds came in. He said it did not do it. He said what they did was dissolve Council's vote on saying yes they can use it but have to put it back. He said does he see what he means. He said the vote they took, and it is not the Mayor's fault, usurped Council's position on this. He said he hopes that does not happen again.
- Mayor Cherepko said he can assure Mr. Segina that it will not happen.
- Mr. Segina said thank God they have \$14 million or else he would be
- Mayor Cherepko said and once again, what they are going to do and he doesn't have the exact number right

now so he doesn't want to tell them but he thinks it will be very encouraging. He said before they commit the amount of money to where it has to go before the final investment is done with PFM, they already have it all laid out for them so they will have a nice reserve fund set to the side so there will not only be a reserve fund but they may want to use small portions if they are short on paving or demolition or things like that. He said those are things he will come to Council with and the decision will be theirs but he is excited to tell them when the number actually goes through. He said it will all be finalized this week. He said that still has not been signed and finalized. He said he and Mr. Gergely will be finalizing the authorization for PFM to move to get bids to invest the money. He said there will be money before it is all committed set aside for a nice reserve fund. He said actually it will be more than that.

- Mr. Segina said are they getting some other firms to give him the numbers.
- Mayor Cherepko said when they did that authorization, they did that all through PFM and they will put out bids and take bids from whoever wants to put in the bids.
- Mr. Segina said will those be presented to Council. He said will those bids be presented to Council.
- Mayor Cherepko said no, ultimately what is going to happen is PFM will put out the bids and he will be glad to show Mr. Segina but PFM will just take the best bid. He said they have authorized PFM to take the best yield on the bids. He said if Mr. Segina wants to see those numbers, he is sure they can get them.
- Mr. Segina said is that all Mr. McCall.
- Mr. McCall said he has one other thing.
- Mr. Segina said he is taking up a lot of time.

- Mr. McCall said he is sorry he ever brought that up but he was under the impression that he knew. He said he was going through the insurance groups for things they have in McKeesport. He said did the Mayor go through this and look at the things they have insured in here.
- Mayor Cherepko said he did not go through the whole folder.
- Mr. McCall said they have a filter house that is still listed in here for \$38,000. He said there is a lot of stuff in here that is not there anymore. He said it is not even utilized.
- Mr. Segina said what he is saying is that they should go over that inventory list. He said the filter house is out in Barry Field. He said it is empty and the filters are gone and it is for the pool and they are charging them insurance for it. He said they should review what they have and what they could take off.
- Mr. Elash said they actually received the industrial report yesterday and the Mayor and Mr. Gergely are already disseminating out to the Department Heads for them to review their Departments for what they still have and what they don't have.
- Mr. McCall said he was just wondering because he was going through this and saying they don't even have some of this stuff.
- Mayor Cherepko said another thing is that they did not get to go over it when they gave it out. He said in the midst of their conversations with them, it was nice that they had two different insurance coverages and they ended up going in and saving almost \$28,000 with them. He said maybe they can even take it further if there are things that should not be covered. He said the Department heads should be able to go through that.

He said he will get a memo out tomorrow and take care of that.

- Mr. Segina said since they have a couple of new Council Members, they have to reorganize themselves a little bit. He said they have a Personnel Committee and right now the President of Council and Vice President of Council are on it. He said they need one more member on there. He said he would like to make a motion to appoint Richard Dellapenna to that Personnel Committee if they so choose to do so.

MOTION: **Mr. McCall moved, seconded by Mr. Carr, "To appoint Mr. Dellapenna to the Personnel Committee."**

COMMENTS:

- Ms. Walker-Montgomery said she guesses it goes back to what she just said a couple of seconds ago. She said she feels like that decision could have been a seven person decision, not just a two or three people decision. She said did they ever hear about it, she never heard about it. She said no one ever said hey let's get together and see who should get this other seat. She said this is the first time she heard about this stuff and feels like she is being put on the spot and whether or not she should vote. She said she does not have a problem with Mr. Dellapenna but she wishes that there would be more transparency and that they would just kind of work together.
- Mr. Segina said this is one of the few prerogatives that the President of Council has and he chose to select Mr. Dellapenna.
- Ms. Walker-Montgomery said nothing against Mr. Dellapenna, but he has only been on Council for a short number of months and there are a couple of other folks who have been on here longer than that.

- Mr. Segina said he is sure there are going to be some other openings.
- Ms. Walker-Montgomery said it is what it is but it just would have been nice to be included.
- Mr. Segina said Ms. Montgomery let me just say this. He said he heard her remarks and he can read between the lines. He said it was a tough election year for everybody and some won and some lost. He said the ones who won are happy and the ones who lost are sad. He said as of New Year's Day he said this is all gone and quite honestly he did not think he was going to be President of Council and he thinks she knows that.
- Ms. Walker-Montgomery said yes sir.
- Mr. Segina said events happen and he is here. He said he does remember a time when he was supposed to get elected Vice President of Council and when he went into the meeting everything turned around on him and he was quite upset as she probably is. He said that is fine. He said you know you have to get over it. He said they have stressed here unity and they have talked about it and he invited everyone yesterday to come back in the Caucus Room to discuss any issues and she chose not to.
- Ms. Walker-Montgomery said she chose not to because they are not supposed to go into the back for Executive Session until you announce the reason why they go in the back.
- Mr. Segina said excuse me, that was not Executive Session.
- Ms. Walker-Montgomery said if they have more than a quorum present, they cannot do that.
- Mr. Segina said may I finish, let me finish. He said at 6:30 they had the swearing in of the new members and after that was over, there was a lull between the times until 7:00 until they had the Reorganization meeting and he said let's go back

here and talk about it. He said they talked about several different things. He said there was no vote cast back there. He said there was just talking.

- Ms. Walker-Montgomery said if there is a quorum present, they cannot talk about City business in the back. She said they have to do it in the front.
- Mr. Segina said can he have Mr. Elash's ruling on that.
- Mr. Elash said as long as they were not talking about any legislative issues or anything that they actually came out here and voted on, with a quorum present in the room, they would not have a problem.
- Ms. Walker-Montgomery said but they were talking about it.
- Mr. Elash said if three people were out here having a conversation and two were in the room, that is not a meeting with a quorum present. He said if they were all sitting there talking about something that was to be voted on and in a technical sense, Ms. Walker is correct, it would be a violation of the Sunshine Act, however all they would have to do is announce afterward that they held an Executive Session to discuss a personnel matter, they don't have to do it before hand. He said they can do it after the fact and could even do it at next month's meeting and note that they held two executive sessions to discuss personnel issues or purchases of property and there is a number of things they can discuss.
- Ms. Walker-Montgomery said that is why she did not go back, because it was not announced and they are not supposed to go into executive session for certain reasons. She said as he just said.
- Mr. Segina said this happens every two years when there is a President and Vice President to be elected, it happens all the time that they go back in the back and talk about it.
- Ms. Walker-Montgomery said that doesn't make it right.

- Mr. Segina said because they want it to be as smooth so they get 7-0 votes for both the President and Vice President and they are all accordance. He said whether she won or she lost ... heretofore he hopes he can work together with both her and Mr. Tedesco in the spirit of Unity to try to bring this City back. He said he knows he can. He said they have been friends before and he hopes they will be friends after too.
- Ms. Walker-Montgomery said she is sure they will but she just wanted to ... she wants things to be more transparent to the public.
- Mr. Segina said does she expect him to
- Ms. Walker-Montgomery said so the public can see democracy at work. She said they don't want to see fake democracy, they want to see democracy taking place.
- Mr. Segina said her comments have been acknowledged and if there is any fault on his part, he is sorry. He said they will go forward from there.
- Ms. Walker-Montgomery said she just wanted to discuss because she has nothing against Mr. Dellapenna.
- Mr. Segina said they have a motion on the floor and a second.

RC-3 YEAS: SEGINA, McCALL, DELLAPENNA, WALKER-MONTGOMERY, SOLES, CARR, TEDESCO 7

NAYS: NONE..... 0

- Mr. Segina said he discussed with Mayor Cherepko on two occasions now about the choice of going forward with the City in the spirit of cooperation. He said he was an opponent of Mayor Cherepko's for the Mayoral race and he lost. He said he lost graciously. He said it is done and now they have to hold hands together, walk together and try to make this City a better place. He said he has a passion for this town, a deep passion. He said he takes everything he does seriously here

as he knows Mayor Cherepko does as well and the rest of this Council does too. He said that is why he would like to walk hand in hand, all of them, the Administration and Council going forward for 2012. He said they should show the surrounding communities what kind of community they really have here and keep moving forward.

- Mr. Elash said they should announce that an executive session was held since it was brought up publicly. He said does Mr. Segina want him to read it.
- Mr. Segina said yes, he can't read his writing.
- Mr. Elash said he would like to announce for the record that an Executive Session of Council to discuss personnel matters was held on Monday, January 2, 2012 at approximately 6:30 p.m.
- Mr. Segina said he does not feel it was an Executive Session but just to be safe, that is what it is. He said there are no Citizens in the Audience. He said no one signed up to speak. He said he would like to propose another change and he would like to eliminate the three minute ban on people. He said if they want to come up here and address the Council and Administration, that is fine and he will let them talk as long as they want as long as they are not repetitive and make their point. He said once they make their point and all discussion is done, he will then ask them to go back to their seat. He said there will be no rushing through with a three minute ban. He said he hopes this works out because he wants to give people the opportunity to express themselves and let Council know how they feel about the City and whatever complaints they have.
- Mr. Tedesco said adding to that, he actually agrees with what they are saying there. He said the other thing he would like to see is that some other communities do have ... when they have one issue and seven people come in about one issue ... they should have a spokesperson instead of them running

through seven people saying the same thing. He said if they are on the pro side of something then one should speak ... one of each side is sufficient.

- Mr. Segina said they have done that in the past and they will continue to do that.
- Mr. Tedesco said thank you.

TABLED BILLS:

BILL #195: A RESOLUTION OF THE CITY OF McKEESPORT, ALLEGHENY COUNTY, PENNSYLVANIA, AUTHORIZING THE PROPER CITY OFFICERS TO ENTER INTO AN AGREEMENT WITH LUTTERMAN EXCAVATING FOR 2011 CDBG DEMOLITION, CONTRACT B, IN THE AMOUNT OF \$22,500.00.

MOTION: Mr. McCall moved, seconded by Mr. Tedesco, "To remove Bill #195 from Table and from the Agenda."

RC-4 YEAS: SEGINA, McCALL, DELLAPENNA, WALKER-MONTGOMERY, SOLES, CARR, TEDESCO 7

NAYS: NONE..... 0

NEW BUSINESS:

BILL #6: A RESOLUTION OF THE CITY OF McKEESPORT, ALLEGHENY COUNTY, PENNSYLVANIA, APPOINTING MATTHEW GERGELY AS ITS DELEGATE AND ALFRED J. TEDESCO, JR., AS ALTERNATE DELEGATE TO THE ALLEGHENY COUNTY SOUTHEAST TAX COLLECTION BOARD.

- Mr. Segina said they have to make an amendment to that Bill.

- Ms. Williams said the old title is appointing Matthew Gergely as its delegate and Alfred J. Tedesco, Jr. as alternate delegate to the Allegheny County Southeast Tax Collection Board.
- Mr. Segina said they need a motion to amend Bill #6 to change the wording to read Bethany Bauer as alternate delegate instead of Alfred J. Tedesco, Jr.

MOTION: **Ms. Walker-Montgomery moved, seconded by Mr. McCall, "To amend Bill #6 to replace Alfred J. Tedesco, Jr. with Bethany Bauer as the alternate delegate to the Allegheny County Southeast Tax Collection Board."**

RC-5 YEAS: SEGINA, McCALL, DELLAPENNA, WALKER-MONTGOMERY, SOLES, CARR, TEDESCO 7

 NAYS: NONE..... 0

RESOLUTION #2012-6 - BILL #6: A RESOLUTION OF THE CITY OF McKEESPORT, ALLEGHENY COUNTY, PENNSYLVANIA, APPOINTING MATTHEW GERGELY AS ITS DELEGATE AND BETHANY BAUER AS ALTERNATE DELEGATE TO THE ALLEGHENY COUNTY SOUTHEAST TAX COLLECTION BOARD.

MOTION: **Mr. Tedesco moved, seconded by Mr. Dellapenna, "To adopt Bill #6 as amended."**

COMMENTS:

- Mr. Tedesco said he just wanted to say that he and the Mayor got together and he felt that it was best that two members of his Administration serve on that Board and that is why he removed his name.

RC-6 YEAS: SEGINA, McCALL, DELLAPENNA, WALKER-MONTGOMERY, SOLES, CARR, TEDESCO 7

 NAYS: NONE..... 0

CONTROLLER'S REPORT:

- Mr. Malinchak said he has a question for the Mayor. He said did he hear him say \$147,000 approximately for the amount of bills.
- Mayor Cherepko said yes, that is the last calculation they have and there have actually been a few come in since then.
- Mr. Malinchak said he has in front of him a set of warrants that amount to \$39,000 and that means that they have another \$100,000 coming for the next meeting. He said is the Mayor going to get beat up by some of these vendors.
- Mayor Cherepko said it looks that way.
- Mr. Malinchak said hopefully it is something that they are used to.
- Mr. Segina said aren't there accrued payables that are a line item in the budget for what they have that are rollovers from 2011.
- Mr. Malinchak said he doesn't understand ... for example he heard him mention that some of the bills go back to September. He said he has one here that goes back to February.
- Mayor Cherepko said they had a few old ones too.
- Mr. Malinchak said the thing that bothers him is that they may think they have all of them in the room here....
- Mayor Cherepko said that is what ... as soon as he says they are okay at a certain number, it seems like more come in.
- Mr. McCall said that is why you don't move offices.
- Mr. Malinchak said he recommends to Council the approval of bills amounting to \$39,412.33.

MOTION: **Mr. Tedesco moved, seconded by Mr. McCall,
"To approve payment of the bills in the
amount of \$39,412.33."**

RC-7 YEAS: SEGINA, McCALL, DELLAPENNA, WALKER-
 MONTGOMERY, SOLES, CARR, TEDESCO 7

 NAYS: NONE..... 0

ADJOURNMENT:

President of Council Darryl Segina adjourned the meeting at 7:55 p.m.

Respectfully submitted,

Patricia A. Williams
City Clerk and Clerk of Council

APPROVED:

Darryl Segina
President of Council

daw